

RELEASING ALL THE RIGHT, TITLE, AND INTEREST OF THE UNITED STATES IN AND TO ALL FISSIONABLE MATERIALS IN CERTAIN LAND IN MARION COUNTY, IND.

JULY 3, 1952.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. BENTSEN, from the Committee on Interior and Insular Affairs, submitted the following

REPORT

[To accompany H. R. 7262]

The Committee on Interior and Insular Affairs, to whom was referred the bill (H. R. 7262) to direct the Secretary of the Interior to release all the right, title, and interest of the United States in and to all fissionable materials in certain land in Marion County, Ind., having considered the same, report favorably thereon with amendments and recommend that the bill do pass.

The amendments are as follows:

Page 1, lines 3 to 7, strike out all of the language in these lines and insert in lieu thereof the following:

That all the right, title, and interest of the United States in and to all fissionable materials in certain land located in Marion County, Indiana, is hereby released and relinquished to and for the benefit of the lawful owner or owners of such land.

Page 2, line 1, strike out "9071" and insert in lieu thereof "9701," Amend the title of the bill to read as follows:

A bill to release all the right, title, and interest of the United States in and to all fissionable materials in certain land in Marion County, Indiana.

EXPLANATION OF THE BILL

H. R. 7262 has as its purpose the release by the United States Government of certain rights to fissionable materials in approximately 7.1 acres of land now owned by a construction company in Indianapolis, Ind. The request for this legislation is made in order that houses may be constructed on the land. Construction is now prohibited inasmuch as title attorneys will not consider the title to the land in question as a good, merchantable title since such title contains the reservation of fissionable materials to the United States.

Testimony before the committee shows that investigations have proven that the rock strata below the lands does not evidence the existence of fissionable materials

As a matter of background, it may be stated that this tract of land was acquired by the United States in World War II for the purpose of building Government housing. After the war and before any housing was placed thereon, it was reconveyed to the prior owners subject to a reservation of all fissionable materials to the United States, which was required by Executive Order 9701. Reservation of fissionable materials to the United States would include the right to enter the land and project and mine and remove such materials. Executive Order 9701 which required the Government to reserve fissionable materials was subsequently revoked by Executive Order 9908, which latter order contained a provision whereunder the fissionable materials reservation could be omitted from deeds of the United States upon a determination of the Secretary of the Interior that the land to be conveyed did not contain substantial deposits of fissionable materials.

In view of the fact that the evidence reveals that the land in question does not contain fissionable materials, the reservation of such materials could have been omitted had not Executive Order 9701 been mandatory. The repeal of this Executive order and the subsequent order, 9908, makes the matter discretionary. The committee feels that the bill to withdraw the fissionable materials reservation should be approved. The various departments of Government concerned have voiced no objection to the passage of this legislation.

The reports of the Departments of the Interior, Justice, and Atomic Energy Commission read as follows:

DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington 25, D. C., June 25, 1952.

HON. JOHN R. MURDOCK,
*Chairman, Committee on Interior and Insular Affairs,
House of Representatives.*

MY DEAR MR. MURDOCK: This is in reply to your request for a report on H. R. 7262, a bill to direct the Secretary of the Interior to release all the right, title, and interest of the United States in and to all fissionable materials in certain land in Marion County, Ind.

The land which is the subject of this bill was formerly under the jurisdiction of the Federal Public Housing Authority of the Housing and Home Finance Agency. It was conveyed by that organization on behalf of the United States subject to a reservation to the United States of all fissionable materials therein. This reservation was required by Executive Order 9701. The provisions of that document were subsequently superseded in certain respects by Executive Order 9908. This action, however, had no effect on the reservation here in question, which still continues in full force and effect.

The circumstances leading to the introduction of H. R. 7262 are outlined in Acting Secretary Searles' letter and enclosure to Congressman Brownson dated January 23, 1952, copies of which are attached. You will note that the enclosure was a letter to a Mr. Krabbenhoft in which the Acting Secretary stated that this Department did not have the authority to remove or release the reservation concerning fissionable material. However, the Acting Secretary also stated that the Geological Survey of this Department has reported that available information concerning the sequence and character of the rocks underlying the land parcel referred to in the bill provides no warrant for a belief that any part of the land contains fissionable source material as defined to date pursuant to the Atomic Energy Act of 1946 (60 Stat. 755) or pursuant to Executive Order 9908, or that occasion will ever arise for the United States, through its authorized agents, to exercise its rights to enter, prospect and remove from this land fissionable source material.

I believe that the Atomic Energy Commission should report upon the merits of the bill so far as policy is concerned. However, if legislation such as this is to be enacted, I believe it should be amended in two particulars.

First, the bill should itself operate as a relinquishment of the fissionable material reservation, thus eliminating the unnecessary work and delay incident to the preparation of a conveyance of the reserved interests. In this connection it is also pertinent to observe that the bill would place the responsibility for executing the conveyance upon the Department of the Interior, an agency which has not had jurisdiction over the land affected by the bill. This impropriety would be overcome and the effectuation of the purposes of the bill simplified by recasting its provisions into the form of a self-operating release of the reservation with respect to fissionable materials.

Second, the relinquishment provided for in the bill should run in favor of whoever may be the lawful proprietor of the land, instead of to a named person. This Department has been furnished with no abstract of title or other evidence establishing that the prospective grantee named in the bill—Charles O. Grinslade, Sr.—is the present owner of the land. Even if such evidence had been furnished, it would not preclude a change in the title to the land during the period while the bill was being considered by the Congress and the President. These difficulties could be avoided, in line with many prior legislative precedents, by a relinquishment so couched as to inure to the benefit of the legal owner of the land, whoever he may be.

To implement the foregoing recommendations, I believe that H. R. 7262 should be amended as follows:

Page 1, lines 3 to 7, strike out all of the first sentence of the bill and inserting lieu thereof the following: "That all the right, title, and interest of the United States in and to all fissionable materials in certain land located in Marion County, Ind., is hereby released and relinquished to and for the benefit of the lawful owner or owners of such land."

To correct a clerical error, the following additional amendment is suggested:

Page 2, line 1, strike out "9071" and insert in lieu thereof "9701."

If the amendment first above mentioned is adopted, the title of the bill should be amended to read: "A bill to release all the right, title, and interest of the United States in and to all fissionable materials in certain land in Marion County, Ind."

In the interest of achieving relinquishment of the fissionable materials reservation in a sound legal manner and with a minimum of administrative burdens, it is recommended that not only this bill, but also any future legislative proposals to release such a reservation in conveyances of acquired lands of the United States pursuant to either Executive Order 9701 or 9908, employ terminology along the lines proposed above. It is not, of course, the intention of this recommendation to obviate the legislative desirability of requesting the agency which had custody of the acquired lands and the Atomic Energy Commission for their advice as to the wisdom of the release of the reservation in any given case.

The Bureau of the Budget has advised that there is no objection to the presentation of this report to your committee.

Sincerely yours,

ROBERT R. ROSE, Jr.,
Assistant Secretary of the Interior.

Enclosures.

DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington 25, D. C., January 23, 1952.

HON. CHARLES B. BROWNSON,
House of Representatives, Washington 25, D. C.

MY DEAR MR. BROWNSON: This is in further reply to your letter of November 9, 1951, concerning the request of Mr. C. R. Krabbenhoft, of the Grinslade Construction Co., for release of a fissionable materials reservation affecting a tract of approximately 7 acres in Indianapolis.

Enclosed is a copy of a letter sent to Mr. Krabbenhoft today. Although this Department is without authority to release the reservation, possibly the information contained in the letter will be of some assistance to him in seeking removal of the objections raised by the attorneys passing on the title to the property.

Sincerely yours,

R. D. SEARLES,
Acting Secretary of the Interior.

Enclosure.

DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington 25, D. C., January 23, 1952.

Mr. C. R. KRABBENHOFT,
Grinslade Construction Co.,
Indianapolis 4, Ind.

MY DEAR MR. KRABBENHOFT: This is in further reply to your letter of November 6, 1951, requesting a release by the Government of certain rights to fissionable materials in approximately 7.1 acres of land owned by your company and located in Indianapolis, Ind.

According to your letter and enclosures, this tract was acquired by the United States during World War II for the purpose of building defense housing and was reconveyed to the owners in 1946, subject to a reservation to the United States pursuant to Executive Order 9701 (11 F. R. 2369; 3 C. F. R., 1946 Supp., p. 104) of all fissionable materials in the land, together with the right at any and all times to enter upon the land and prospect for, mine, and remove such materials. It is understood that the fissionable materials reservation has resulted in title objections that have thus far prevented your using the property as a site for construction of small houses for sale or rental to veterans and defense workers.

Executive Order 9701, subsequently revoked by Executive Order 9908 (3 C. F. R., 1947 Supp., p. 176), contained a provision whereunder the fissionable materials reservation could be omitted from deeds from the United States upon a determination by the Secretary of the Interior that the land to be conveyed "does not contain substantial deposits of fissionable materials, or that, in view of all the circumstances, there is no reasonable probability that such materials are present in quantities sufficient to justify their extraction." Authority to make such determinations was delegated to the Director of the Geological Survey by Secretary's Order 2280 (11 F. R. 14165). The Director made determinations with respect to various properties in the vicinity of Indianapolis, but it appears that no request was received for a determination with respect to the property in which you are interested. Consequently, the deed was made subject to the fissionable materials reservation.

This Department does not have authority to remove or release the reservation or to make any determination or commitment that could in any way preclude the United States from exercising its rights under the reservation. I may state, however, that available information in the files and records of the Geological Survey concerning the sequence and character of the rocks underlying the land parcel referred to provides no warrant for a belief that any part of the land contains fissionable source material as defined to date pursuant to the Atomic Energy Act of 1946 (60 Stat. 755), or to Executive Order 9908, or that occasion will ever arise for the United States to exercise through its authorized agents or representatives its rights to enter upon the land and prospect for, mine, and remove therefrom materials peculiarly essential to the production of fissionable material.

Enclosed is a copy of a letter of even date to Congressman Brownson.

Sincerely yours,

R. D. SEARLES,
Acting Secretary of the Interior.

Enclosure.

DEPARTMENT OF JUSTICE,
OFFICE OF THE DEPUTY ATTORNEY GENERAL,
Washington, June 10, 1952.

Hon. JOHN R. MURDOCK,
Chairman, Committee on Interior and Insular Affairs,
House of Representatives, Washington, D. C.

MY DEAR MR. CHAIRMAN: This is in response to your request for the views of the Department of Justice concerning the bill (H. R. 7262) to direct the Secretary of the Interior to release all the right, title, and interest of the United States in and to all fissionable materials in certain land in Marion County, Ind.

The bill would direct the Secretary of the Interior to relinquish all right, title, and interest of the United States in and to all fissionable materials in certain land in Marion County, Ind., which was acquired by the United States in 1942, and reconveyed to William Ozman in 1946, subject to a reservation to the United States of all fissionable materials therein.

This Department is advised that the land here involved is to be the site for the construction of small houses for sale to veterans and defense workers and that the

release of the reservation covering fissionable materials is necessary to remove certain title objections.

The Department of Justice is not aware of the situation with reference to the possibility of fissionable materials in this particular land. Under all the circumstances, the question whether the bill should be enacted is one of policy on which the Department prefers to make no recommendation.

The Bureau of the Budget has advised that there is no objection to the submission of this report.

Sincerely,

A. DEVITT VANECH,
Deputy Attorney General.

ATOMIC ENERGY COMMISSION,
Washington 25, D. C., June 18, 1952.

HON. JOHN R. MURDOCK,
Chairman, Committee on Interior and Insular Affairs,
House of Representatives.

DEAR MR. MURDOCK: We have your letter of April 4, 1952, in which you ask us for a report on H. R. 7262 introduced by Congressman Brownson, which provides that the Secretary of the Interior is authorized and directed to release to Charles O. Grinslade, Sr., all the right, title, and interest of the United States in and to all fissionable materials in certain land located in Marion County, Ind.

We understand that the land in question was purchased by the Government several years ago and then resold with the reservation included in the deed pursuant to Executive Order 9701 dated March 4, 1946.

The Atomic Energy Commission does not feel that the proposed legislation would adversely affect its program and, therefore, would have no objection to its enactment.

The Bureau of the Budget has advised us that it has no objection to our submitting this report.

Sincerely yours,

UNITED STATES ATOMIC ENERGY COMMISSION,
GORDON DEAN, *Chairman.*

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